



ADMINISTRATIVE OFFICE OF THE COURTS

FINANCE DIVISION

TRIAL COURT FINANCIAL POLICIES AND PROCEDURES MANUAL 7th EDITION

Policy No., FIN 7.03, Contract Administration

EXECUTIVE SUMMARY OF UPDATE

POLICY ISSUE(S)

There are only a few significant updates of this policy. The changes were made to: clarify that a purchase order is a form of contract, remove the responsibility of a contract administrator to enter into a contract that complies with applicable law, clarify that supplier/contractor lists are a list of potential and not necessarily eligible or qualified contractors and how that list should be managed, clarify supplier and contractor insurance conformance requirements, clarify that contract payments are made on completion of certain tasks and not at certain progress intervals, clarify the suggested review process for issuing a unilateral contract amendment, and clarify the contract claim and termination processes.

Significant Revisions

1. A trial court needs to ensure that suppliers and contractors comply with purchase orders besides contracts, as a purchase order is a form of contract.
2. Entering into contracts that comply with applicable law is not the responsibility of a contract administrator and therefore has been removed.
3. Supplier/contractor lists aren't necessarily lists of eligible (or qualified) contractors but is a list of potential contractors. That list should also delete vendors as necessary.
4. Clarified that a supplier's or contractor's insurance certificates need to meet the requirements of the court's contract as how those certificates would be acceptable to the court.
5. Clarified that payments are made at the completion of certain tasks and not at certain progress intervals.

6. Clarified that unilateral contract amendments should be reviewed by legal counsel, which could include the Administrative Office of the Courts' Office of General Counsel, prior to issuance.
7. Clarified that contract claims go through a mediation (rather than binding arbitration) process.
8. Cure notices to a contractor need to include a request of the contractor to comply with the contract.
9. Suggest that courts seek legal counsel when terminating any contract.